

ARTICLE XVI

CUSTOMS DUTIES, TAXES, AND SIMILAR CHARGES

16.1. Customs duties, import and export taxes, and similar charges shall be administered in accordance with each Party's respective laws and regulations. Insofar as existing national laws and regulations permit, the Parties shall endeavor to ensure that such readily identifiable duties, taxes and similar charges, as well as quantitative or other restrictions on imports and exports, are not imposed in connection with work carried out under this Project.

16.2. - Each Party shall use its best efforts to ensure that customs duties, import and export taxes, and similar charges are administered in a manner favorable to the efficient and economical conduct of the work. If any such duties, taxes, or similar charges are levied, the Party in whose country they are levied shall bear such costs over and above that Party's share of the costs of the Project.

ARTICLE XVII

SETTLEMENT OF DISPUTES

17.1. Disputes between the Parties arising under or relating to this Agreement shall be resolved only by consultation between the Parties and shall not be referred to a national court, an international tribunal, or to any other person or entity for settlement.

ARTICLE XVIII

LANGUAGE

18.1. The working language for the Project shall be the English language.

18.2. All data and information generated under this Agreement and its implementing Contracts and provided by one Party to the other Party shall be furnished in the English language.

ARTICLE XIX

AMENDMENT, TERMINATION, ENTRY INTO FORCE, AND DURATION

19.1. All activities of the Parties under this Agreement shall be carried out in accordance with their national laws and the obligations of the Parties shall be subject to the availability of funds for such purposes.

19.2. In the event of a conflict between an Article of this Agreement and any Annex to this Agreement, the Article shall control.

19.3. Except as otherwise provided, this Agreement may be amended by the mutual written consent of the Parties. Annexes A (Production Quantities) and C (RAMPO Organization) of this Agreement may be amended by the written approval of the SC. Annex D (Financial Matters) of this Agreement may be amended by the written approval of the SC only within the Cost Ceiling of the Agreement.

19.4. This Agreement may be terminated at any time upon the written consent of the Parties. In the event both Parties consent to terminate this Agreement, the Parties shall consult prior to the date of termination to ensure termination on the most economical and equitable terms.

19.5. Either Party may terminate this Agreement upon 120 days written notification of its intent to terminate to the other Party. Such notice shall be the subject of immediate consultation by the SC to decide upon the appropriate course of action. In the event of such termination, the following rules apply:

19.5.1. The terminating Party shall continue participation, financial or otherwise, up to the effective date of termination.

19.5.2. Except for contract costs incurred on behalf of both Parties, each Party shall be responsible for its own Project-related costs (such as RAMPO shutdown and personnel relocation) associated with termination of the Project. Contract costs related to termination of the Project shall be shared by the Parties in the same proportion as they share the contract costs of such Contracts. In no event, however, shall a Party's costs exceed the total amount of that Party's contribution under Section V (Financial Provisions).

19.5.3. All Project Information and rights therein received under the provisions of this Agreement prior to the termination shall be retained by the Parties, subject to the provisions of this Agreement.

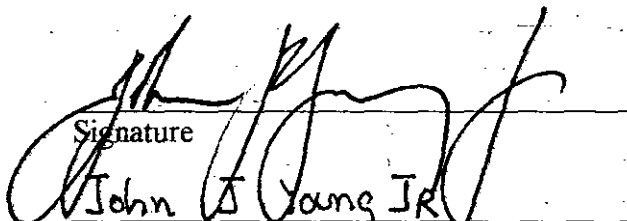
19.6. The respective rights and obligations of the Parties regarding Article VIII (Project Equipment), Article IX (Disclosure and Use of Project Information), Article X (Controlled Unclassified Information), Article XII (Security), Article XIII (Third Party Sales and Transfers), and Article XIV (Liability and Claims), shall continue notwithstanding termination or expiration of this Agreement.

19.7. This Agreement, which consists of nineteen Articles and four Annexes, shall enter into force upon signature by both Parties and shall remain in force for 10 years. It may be extended by written agreement of the Parties.

IN WITNESS WHEREOF, the undersigned, being duly authorized by their governments, have signed this Agreement.

DONE, in duplicate, in the English language and in the German language, each text being equally authentic.

FOR THE DEPARTMENT OF DEFENSE
OF THE UNITED STATES OF
AMERICA



Signature
John D. Young Jr.
Name

ASSISTANT SECRETARY OF THE NAVY (POA)
Title

10 DEC 01
Date

Washington DC
Location

FOR THE FEDERAL MINISTRY OF
DEFENSE OF THE FEDERAL
REPUBLIC OF GERMANY


Signature
Dr. Knut Schloebach
Name

Vizepräsident (w)
Title

14. 11. 2001
Date

Koblenz
Location

ANNEX A

PLANNED NATIONAL PRODUCTION QUANTITIES

COST ESTIMATES

(FY 99 K\$)

PLANNED QUANTITY- ORDER YEAR PLANNED DELIVERY YEAR	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	TOTAL
UNITED STATES OF AMERICA (US)										
GMRP QUANTITY	90	155	180	240	230	230	230	230	230	1,355
GMRP RETROFIT KITS	0	160	165	0	0	0	0	0	0	325
GMLS QUANTITY (21 ROUND LCHR)	10	8	8	10	0	0	0	0	0	36
GMLS ORDALT KITS	10	24	4	8	20	14	6			86
FEDERAL REPUBLIC OF GERMANY (GE)										
GMRP RETROFIT KITS		20	100	130	140	180				570
GMLS QUANTITY (21 RD. LCHR) K130 Budget		2	4	2	2		0			10
GMLS ORDALT KITS	2	4	8	9	9		2			43
NATIONAL COST ESTIMATES (US) 1										
MISSILES	37,980	53,274	60,624	81,120	78,545	80,194	81,879			473,616
MISSILE KITS	0	22,080	22,308	0	0	0	0			44,388
LAUNCHERS	74,140	16,541	17,686	22,460	0	0	0			130,827
LAUNCHER ORDALTS	7,010	16,824	2,804	5,608	14,020	9,814	4,206			60,286
NATIONAL COST ESTIMATES (GE) 2										
MISSILES KITS	1,502	3,520	17,170	20,090	28,330	24,380	19,070			114,062
LAUNCHERS (K130 Budget)	0	0	14,722	15,709	11,503	0	0			41,934
LAUNCHER ORDALTS	430	6,996	6,653	5,666	4,893	5,151	10,902			40,691
US TOTAL	119,130	108,719	103,422	109,188	92,565	90,008	86,085			709,117
GE TOTAL	1,932	10,516	38,545	41,465	44,726	29,531	29,972			196,687
GRAND TOTAL	121,062	119,235	141,967	150,653	137,291	119,539	116,057			905,804

1) US: ESTIMATES BASED ON FY99 ASSUMPTIONS. Estimates indicate order value, not cash flow.

2) GE: Cost Estimates without VAT(16%). National costs not included. GE numbers show approximate cash flow per "Haushaltsjahr". 1\$=1,95DM
General Remark: US and GE ORDALT Kits and Launchers are different in content, costs cannot be compared.

(08Aug01)

ANNEX B

PROCEDURES FOR TRANSFERS WITHIN THE RAM PRODUCTION COOPERATIVE PROJECT

Transfer of RAM production components produced under US contract for GE or under a GE contract for the US will occur under cooperative procedures delineated herein.

<u>Cooperative Document</u>	<u>Comment</u>
Requests for Budget Data, Requests for a Cooperative Program Ordering Agreement	Each country shall annually submit to the Steering Committee an Ordering Memorandum containing firm quantities for the current year (if applicable) and planned quantities for the subsequent five years. The Ordering Memorandum is the basis for a Cooperative Project Ordering Agreement (CPOA). The CPOA transfers obligational authority to the contracting agency.
Cooperative Program Ordering Agreement (CPOA)	The CPOA should contain the following information: <ul style="list-style-type: none">- Reference to this MOU- Date order issued- Items and quantities to be ordered- Estimated purchase amount- Payment schedule- Estimated delivery dates- Initial point of shipment- Shipping instructions- Terms and Conditions (Figure B-1)
Signatures	The CPOA is signed by both SC members. Signature of the ordering nation SC member validates the order of the Ordering Nation. Signatures of both the GE and the US SC members validate delivery, pricing, and payment schedule estimates.
Amendment to CPOA	The CPOA amendment makes a change of substance to the basic CPOA (scope, quantities, specifications, pricing, payment schedule, etc.). The CPOA amendment must be signed by both SC members or their delegates.
Termination of CPOA	CPOAs can be terminated at any time by the ordering nation. Termination notification should be signed by the ordering nation SC member and signed by the other SC member as "received". Contract termination costs resulting from such action are charged to the terminating party. The contracting officer will be immediately notified by RAMPO of such terminations and he will take actions as necessary to minimize Termination costs. Note that CPOA termination is quite distinct from MOU termination. That is, an annual order can be terminated while the MOU continues in effect.

FIGURE B -1
CPOA TERMS & CONDITIONS

A. PROVIDING NATION:

Agrees to deliver and pass title to the items to the Ordering Nation in accordance with the RAM Block 1 and Block 1 HAS Upgrade Production MOU at the initial point of shipment, unless otherwise specified in this order or the contract. With respect to defense articles procured under contract, this will normally be at the manufacturer's loading facilities; with respect to defense articles furnished from stock, this will normally be at the Providing Nation's depot. Articles will be packed, crated, or otherwise prepared for shipment prior to the time title passes. If a "Point of Delivery" other than the initial point of shipment is specified, the supplying Military Department or Defense Agency will arrange movement of the items to the authorized delivery point as reimbursable service but will pass title at the initial point of shipment. The Providing Nation disclaims any liability for damage or loss to the items incurred after passage of title whether or not transportation is by common carrier or by the Providing Nation's Defense Transportation System.

B. ORDERING NATION

1. Will furnish shipping instructions for the items with its acceptance of this order. Such instructions will include (a) offer/release code, (b) freight forwarder code, (c) the mark for code, as applicable, and (d) the appropriate insurance coverage.

2. Will accept title to the defense articles at the initial point of shipment. The Ordering Nation will be responsible for in-transit accounting and settlement of claims against common carriers. Title to defense articles transported by parcel post will pass to Ordering Nation on the date of parcel post shipment. Standard Form 364 will be used in submitting claims to the Providing Nation for overage, shortage, damage, duplicate billing, item deficiency, improper identification, or improper documentation and will be submitted by Ordering Nation promptly. Claims of \$ 1,000.00 or less will not be reported for overages, shortages, or damages.

FIGURE B-2
ORDERING MEMORANDUM

ROLLING AIR FRAME MISSILE (RAM) PROGRAM <input type="checkbox"/> ORDERING MEMORANDUM <input type="checkbox"/> COOPERATIVE PROJECT ORDERING AGREEMENT(CPOA) <input type="checkbox"/> CPOA AMENDMENT				PARTICIPATING GOVERNMENT: U.S. FISCAL YEAR:		
ORDERING MEMORANDUM						
PURSUANT TO THE MEMORANDUM OF UNDERSTANDING BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA REPRESENTED BY THE SECRETARY OF DEFENSE, AND THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY, REPRESENTED BY THE FEDERAL MINISTER OF DEFENSE, CONCERNING COOPERATIVE PRODUCTION OF THE RAM BLOCK 1 AND BLOCK 1 HAS UPGRADE SYSTEMS. THE GOVERNMENT OF THE _____ HEREBY ORDERS THE FOLLOWING <u>FIRM RAM</u> ARTICLES FROM THE STEERING COMMITTEE FOR OBLIGATION DURING U.S. FISCAL YEAR _____. THE STEERING COMMITTEE IS FURTHER ADVISED THAT SAID GOVERNMENT PROJECTS REQUIREMENTS FOR THE ADDITIONAL RAM ARTICLES IN SUBSEQUENT U.S. FISCAL YEARS SHOWN ON PAGE 2 IN ORDER TO COMPLETE THE PROGRAM						
RAM ARTICLES - FIRM						
ITEM	ITEM DESCRIPTION	QUANTITY	UNIT OF ISSUE	ESTIMATED DELIVERY DATE	RAMPO TOTAL ESTIMATED COST	
					DM	\$
				TOTAL ESTIMATED COST		
ORDER AS A DULY AUTHORIZED REPRESENTATIVE OF THE ABOVE SAID GOVERNMENT, AND ON ITS BEHALF, PLACE THIS ORDER UNDER THE TERMS OF THE MEMORANDUM OF UNDERSTANDING. _____ SIGNATURE _____ NAME _____ TITLE _____ DATE		RECEIPT AS STEERING COMMITTEE MEMBERS, WE ACKNOWLEDGE RECEIPT OF THIS ORDER AND DIRECT THE PROGRAM MANAGER TO PROVIDE COST AND SCHEDULE ESTIMATES WITHIN 30 DAYS. _____ SIGNATURE SC CHAIRMAN _____ DATE _____ SIGNATURE, SC MEMBER _____ DATE		ESTIMATE TO THE BEST OF MY KNOWLEDGE AND BELIEF THE ESTIMATES SHOWN ABOVE REPRESENT THE BEST INFORMATION AVAILABLE AS OF THE DATE SHOWN BELOW. _____ SIGNATURE, PROGRAM MANAGER _____ NAME _____ TITLE _____ DATE		

**FIGURE B-2
ORDERING MEMORANDUM (CON'T)**

ROLLING AIRFRAME MISSILE (RAM) PROGRAM	PARTICIPATING GOVERNMENT:
<input type="checkbox"/> ORDERING MEMORANDUM <input type="checkbox"/> COOPERATIVE PROJECT ORDERING AGREEMENT (CPOA) <input type="checkbox"/> CPOA AMENDMENT	U.S. FISCAL YEAR:

**ORDERING MEMORANDUM (CONT'D)
RAM ARTICLES- PROJECTED (FOR PLANNING PURPOSES ONLY)**

ITEM DESCRIPTION	QUANTITY						UNIT OF ISSUE
	FY +1	FY +2	FY +3	FY +4	FY +5	FY +6	

PROJECTION AS A DULY AUTHORIZED REPRESENTATIVE OF THE ABOVE SAID GOVERNMENT, AND ON ITS BEHALF, I ADVISE THE STEERING COMMITTEE OF MY GOVERNMENT'S PROJECTED REQUIREMENTS TO COMPLETE THE PROGRAM IN ACCORDANCE WITH THE TERMS OF THE MEMORANDUM OF UNDERSTANDING.	RECEIPT AS STEERING COMMITTEE MEMBERS, WE ACKNOWLEDGE RECEIPT OF THESE PROJECTIONS AND DIRECT THE PROGRAM MANAGER TO PROVIDE COST ESTIMATES WITHIN 60 DAYS.	ESTIMATE TO THE BEST OF MY ACKNOWLEDGE AND BELIEF THE ESTIMATES ATTACHED REPRESENT THE BEST INFORMATION AVAILABLE AS OF THE DATE SHOWN BELOW.
_____ (SIGNATURE)	_____ (SIGNATURE)	_____ (SIGNATURE, PROGRAM MANAGER)
_____ (NAME)	_____ (NAME)	_____ (NAME)
_____ (TITLE)	_____ (TITLE)	_____ (TITLE)
_____ (DATE)	_____ (DATE)	_____ (DATE)

FIGURE B-3
COOPERATIVE PROGRAM ORDERING AGREEMENT

ROLLING AIRFRAME MISSILE (RAM) PROGRAM <input type="checkbox"/> COOPERATIVE PROJECT ORDERING AGREEMENT (CPOA) <input type="checkbox"/> CPOA AMENDMENT	PARTICIPATING GOVERNMENT: U.S. FISCAL YEAR:
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COOPERATIVE PROJECT ORDERING AGREEMENT

PURSUANT TO THE MEMORANDUM OF UNDERSTANDING BETWEEN THE GOVERNMENT THE UNITED STATES OF AMERICA REPRESENTED BY THE SECRETARY OF DEFENSE AND THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY REPRESENTED BY THE FEDERAL MINISTER OF DEFENSE CONCERNING COOPERATIVE PRODUCTION OF THE RAM BLOCK 1 AND BLOCK 1 HAS UPGRADE SYSTEMS THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY HEREWITH TRANSFERS, AND MAKES AVAILABLE FOR OBLIGATION, BUDGET AUTHORITY IN THE AMOUNT OF _____ IN U.S. DOLLARS AND _____ IN DEUTSCHE MARK/EURO FOR RAM ARTICLES FIRM REQUIREMENTS DESCRIBED ON THE ORDERING MEMORANDUM OF SAID GOVERNMENT DATED _____ AT THE PRICES ESTIMATED BY THE PROGRAM MANAGER SET FORTH THEREIN. IN ACCORDANCE WITH THE ATTACHED TERMS AND CONDITION, FOB CONTRACTOR OR ACTIVITY PLACE OF PERFORMANCE.

UPON ACCEPTANCE BY THE UNITED STATES GOVERNMENT OF THIS TRANSFER OF BUDGET AUTHORITY, THE PROGRAM MANAGER MAY CAUSE CONTRACTS OR OTHER OBLIGATIONS TO BE EXECUTED ON BEHALF OF SAID GOVERNMENT FOR WHICH SAID GOVERNMENT AGREES TO PAY ITS EQUITABLE SHARE FOR THE COST OF PERFORMANCE.

ORDERING MEMORANDUM ESTIMATES OF OBLIGATIONS AND EXPENDITURES SHALL BE REVIEWED AND, IF NECESSARY, REVISED NO LESS FREQUENTLY THAN ANNUALLY BY THE PROGRAM MANAGER, WHO WILL PROVIDE TIMELY NOTIFICATION OF ANTICIPATED INCREASES OR DECREASES. IN THE EVENT OF ANTICIPATED INCREASES, AND WITHIN A REASONABLE PERIOD OF TIME FOLLOWING NOTIFICATION, SAID GOVERNMENT SHALL 1) EXECUTE AN ADDITIONAL TRANSFER OF BUDGET AUTHORITY EQUAL TO THE INCREASE VIA AN AMENDMENT TO THIS DOCUMENT; 2) REQUEST THE PROGRAM MANAGER TERMINATE ORDERING MEMORANDUM EFFORTS SUFFICIENT TO REDUCE TOTAL ESTIMATED COSTS TO THE AMOUNT OF BUDGET AUTHORITY PROVIDED HEREIN; OR 3) REQUEST MUTUAL CONSULTATION AND EVALUATION OF THE CONSEQUENCES BY THE STEERING COMMITTEE.

SAID GOVERNMENT SHALL TRANSFER FUNDS TO THE ACCOUNTS SPECIFIED IN THE APPROVED FINANCING PROCEDURES, IN THE AMOUNT AND DENOMINATION(S), AND AT THE TIMES, REQUESTED BY THE PROGRAM MANAGER. SUCH REQUESTS SHALL BE MADE AS REQUIRED BY CONTRACT OR OTHER OBLIGATION MADE ON BEHALF OF SAID GOVERNMENT. ALL FUNDS SHALL BE REQUESTED ON A QUARTERLY BASIS, APPROXIMATELY 120 DAYS IN ADVANCE OF THE QUARTER IN WHICH THE FUNDS ARE REQUIRED, AND TRANSFERRED IN TIME AND MANNER SUFFICIENT TO BE RECEIVED APPROXIMATELY 15 DAYS IN ADVANCE OF THE QUARTER IN WHICH PAYMENTS ARE DUE.

SAID GOVERNMENT ALSO AGREES TO PAY ANY DAMAGES THAT ACCRUE FROM FAILURE TO TRANSFER FUNDS ON A TIMELY BASIS OR FROM CANCELLATION OF THE CONTRACT OR OTHER OBLIGATION.

TRANSFER	RECEIPT	ACCEPTANCE
<small>AS A DULY AUTHORIZED REPRESENTATIVE OF THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY, I HEREWITH TRANSFER THE BUDGET AUTHORITY SPECIFIED ABOVE.</small>	<small>AS STEERING COMMITTEE MEMBERS, WE ACKNOWLEDGE RECEIPT OF THIS COOPERATIVE PROJECT ORDERING AGREEMENT.</small>	<small>AS A DULY AUTHORIZED REPRESENTATIVE OF THE NAVSEA COMPTROLLER, AND ON BEHALF OF THE NAVSEA COMPTROLLER I ACCEPT THIS TRANSFER OF BUDGET AUTHORITY UNDER THE TERMS AND CONDITIONS OF THE ORDERING MEMORANDUM AND THIS AGREEMENT.</small>
_____ (SIGNATURE)	_____ (SIGNATURE SC CHAIRMAN)	_____ (SIGNATURE)
_____ (NAME)	_____ (DATE)	_____ (NAME)
_____ (TITLE)	_____ (SIGNATURE GE SC MEMBER)	_____ (TITLE)
_____ (DATE)	_____ (DATE)	_____ (DATE)

RAMPO ORGANIZATION



ANNEX D
FINANCIAL MATTERS
(FY99 \$K)

	<u>FY01</u>	<u>FY02</u>	<u>FY03</u>	<u>FY04</u>	<u>FY05</u>	<u>FY06</u>	<u>FY07</u>	<u>TOTAL</u>
FINANCIAL CONTRIBUTIONS								
US	10.690	10.660	3.508	5.982	7.320	7.320	7.333	52.814
GE	3.950	3.950	9.352	7.128	5.790	5.790	5.777	41.736
TOTAL FINANCIAL	14.640	14.610	12.860	13.110	13.110	13.110	13.110	94.550
NON-FINANCIAL CONTRIBUTIONS								
U.S.	0	0	0	0	0	0	0	0
GE	500	530	560	590	620	650	680	4.130
TOTAL NON-FINANCIAL	500	530	560	590	620	650	680	4.130
TOTAL CONTRIBUTIONS	15.140	15.140	13.420	13.700	13.730	13.760	13.790	98.680
US TOTAL	10.690	10.660	3.508	5.982	7.320	7.320	7.333	52.814
GE TOTAL	4.450	4.480	9.912	7.718	6.410	6.440	6.457	45.866